

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 980

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RIDGEWAY.

Read 1st time January 22, 2008, and ordered printed.

Read 2nd time January 24, 2008, and referred to the Committee on Pensions, Veterans' Affairs and General Laws.

Reported from the Committee March 6, 2008, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 31, 2008. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

4515S.01P

AN ACT

To repeal sections 86.1180, 86.1200, and 86.1560, RSMo, and section 86.1230 as enacted by senate bill no. 172, ninety-fourth general assembly, first regular session, and to enact in lieu thereof three new sections relating to the police retirement system and the civilian employees' retirement system of the police department of Kansas City.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 86.1180, 86.1200, and 86.1560, RSMo, and section
2 86.1230 as enacted by senate bill no. 172, ninety-fourth general assembly, first
3 regular session, are repealed and three new sections enacted in lieu thereof, to
4 be known as sections 86.1180, 86.1200, and 86.1560, to read as follows:

86.1180. 1. Any member **in active service** who is permanently unable
2 to perform the full and unrestricted duties of a police officer as the natural,
3 proximate, and exclusive result of an accident occurring within the actual
4 performance of duty at some definite time and place or through an occupational
5 disease arising exclusively out of and in the course of his or her employment shall
6 be retired by the board of police commissioners upon certification by one or more
7 physicians of the medical board that the member is mentally or physically unable
8 to perform the full and unrestricted duties of a police officer, that the inability is
9 permanent or likely to become permanent, and that the member should be

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

10 retired. The inability to perform the full and unrestricted duties of a police
11 officer means that the member is unable to perform all the essential job functions
12 for the position of police officer as established by the board of police
13 commissioners.

14 2. Upon such retirement on or after August 28, 2001, a member shall
15 receive a base pension equal to seventy-five percent of his or her final
16 compensation for so long as the permanent disability shall continue, during which
17 time such member shall for purposes of this section be referred to as a disability
18 beneficiary. Such pension may be subject to offset or reduction under section
19 86.1190 by amounts paid or payable under any workers' compensation law.

20 3. Once each year during the first five years following his or her
21 retirement, and at least once in every three-year period thereafter, the retirement
22 board may, and upon the member's application shall, require any disability
23 beneficiary who has not yet attained the age of sixty years to undergo a medical
24 examination at a place designated by the medical board or some member thereof.
25 If any disability beneficiary who has not attained the age of sixty years refuses
26 to submit to a medical examination his or her disability pension may be
27 discontinued until his or her withdrawal of such refusal, and if his or her refusal
28 continues for one year, all rights in and to such pension may be revoked by the
29 retirement board.

30 4. If one or more members of the medical board certify to the retirement
31 board that a disability beneficiary is able to perform the full and unrestricted
32 duties of a police officer, and if the retirement board concurs on the report, then
33 such beneficiary's disability pension shall cease.

34 5. If upon cessation of a disability pension under subsection 4 of this
35 section, the former disability beneficiary is restored to active service, such
36 member shall contribute to this retirement system thereafter at the same rate as
37 other members. Upon subsequent retirement, such member shall be credited with
38 all his or her creditable service, including any years in which such member
39 received a disability pension under this section.

40 6. If upon cessation of a disability pension under subsection 4 of this
41 section, the former disability beneficiary is not restored to active service, such
42 member shall be entitled to the retirement benefit to which such member would
43 have been entitled if such member had terminated service at the time of such
44 cessation of the disability pension. For the purpose of such retirement benefits,
45 such former disability beneficiary will be credited with all his or her creditable

46 service, including any years in which such member received a disability pension
47 under this section.

86.1200. 1. Any member **in active service** who has completed ten or
2 more years of creditable service and who has become permanently unable to
3 perform the full and unrestricted duties of a police officer as the result of an
4 injury or illness not exclusively caused or induced by the actual performance of
5 his or her official duties or by his or her own negligence shall be retired by the
6 board of police commissioners upon certification by one or more physicians of the
7 medical board of the retirement board that the member is mentally or physically
8 unable to perform the full and unrestricted duties of a police officer, that the
9 inability is permanent or likely to become permanent, and that the member
10 should be retired. The inability to perform the full and unrestricted duties of a
11 police officer means that the member is unable to perform all the essential job
12 functions for the position of police officer as established by the board of police
13 commissioners.

14 2. Upon such retirement on or after August 28, 2001, a member shall
15 receive a base pension equal to two and one-half percent of final compensation
16 multiplied by the number of years of creditable service. Such pension shall be
17 paid for so long as the permanent disability shall continue, during which time
18 such member shall for purposes of this section be referred to as a nonduty
19 disability beneficiary.

20 3. Once each year during the first five years following such member's
21 retirement, and at least once in every three-year period thereafter, the retirement
22 board may, and upon the member's application shall, require any nonduty
23 disability beneficiary who has not yet attained the age of sixty years to undergo
24 a medical examination at a place designated by the medical board. If any
25 nonduty disability beneficiary who has not attained the age of sixty years refuses
26 to submit to a medical examination, his or her nonduty disability pension may be
27 discontinued until his or her withdrawal of such refusal, and if his or her refusal
28 continues for one year, all rights in and to such pension may be revoked by the
29 retirement board.

30 4. If one or more members of the medical board certify to the retirement
31 board that a nonduty disability beneficiary is able to perform the full and
32 unrestricted duties of a police officer, and if the retirement board concurs in the
33 report, then such beneficiary's nonduty disability pension shall cease.

86.1560. 1. A member **in active service** who becomes totally and

2 permanently disabled, as defined in this section, shall be entitled to retire and
3 to receive a base pension determined in accordance with the terms of this
4 section. Members who are eligible and totally and permanently disabled shall
5 receive a disability pension computed as follows:

6 (1) Duty disability, fifty percent of final compensation as of the date of
7 disability;

8 (2) Nonduty disability, thirty percent of final compensation as of the date
9 of disability, provided that a nonduty disability pension shall not be available to
10 any member with less than ten years creditable service;

11 (3) In no event shall the disability pension be less than the amount to
12 which the member would be entitled as a pension if the member retired on the
13 same date with equivalent age and creditable service.

14 2. The final payment due a member receiving a disability pension shall
15 be the payment due on the first day of the month in which such member's death
16 occurs. Such member's surviving spouse, if any, shall be entitled to such benefits
17 as may be provided under section 86.1610.

18 3. For purposes of sections 86.1310 to 86.1640, the following terms shall
19 mean:

20 (1) "Duty disability", total and permanent disability directly due to and
21 caused by actual performance of employment with the police department;

22 (2) "Nonduty disability", total and permanent disability arising from any
23 other cause than duty disability;

24 (3) "Total and permanent disability", a state or condition which
25 presumably prevents for the rest of a member's life the member's engaging in any
26 occupation or performing any work for remuneration or profit. Such disability,
27 whether duty or nonduty, must not have been caused by the member's own
28 negligence or willful self-infliction.

29 4. The retirement board in its sole judgment shall determine whether the
30 status of total and permanent disability exists. Its determination shall be
31 binding and conclusive. The retirement board shall rely upon the findings of a
32 medical board of three physicians, and shall procure the written recommendation
33 of at least one member thereof in each case considered by the retirement
34 board. The medical board shall be appointed by the retirement board and
35 expense for such examinations as are required shall be paid from funds of the
36 retirement system.

37 5. From time to time, the retirement board shall have the right to require

38 proof of continuing disability which may include further examination by the
39 medical board. Should the retirement board determine that disability no longer
40 exists, it shall terminate the disability pension. A member who immediately
41 returns to work with the police department shall again earn creditable service
42 beginning on the first day of such return. Creditable service prior to disability
43 retirement shall be reinstated. A member who does not return to work with the
44 police department shall be deemed to have terminated employment at the time
45 disability retirement commenced; but in calculating any benefits due upon such
46 presumption, the retirement system shall receive credit for all amounts paid such
47 member during the period of disability, except that such member shall not be
48 obligated in any event to repay to the retirement system any amounts properly
49 paid during such period of disability.

[86.1230. 1. Any member who retires subsequent to August
2 28, 1991, with entitlement to a pension under sections 86.900 to
3 86.1280, shall receive each month, in addition to such member's
4 base pension and cost-of-living adjustments thereto under section
5 86.1220, and in addition to any other compensation or benefit to
6 which such member may be entitled under sections 86.900 to
7 86.1280, a supplemental retirement benefit of fifty dollars per
8 month. The amount of such supplemental retirement benefit may
9 be adjusted by cost-of-living adjustments determined by the
10 retirement board not more frequently than annually.

11 2. Any member who was retired on or before August 28,
12 1991, and is receiving retirement benefits from the retirement
13 system shall, upon application to the retirement board, be retained
14 as a consultant, and for such services such member shall receive
15 each month, in addition to such member's base pension and
16 cost-of-living adjustments thereto under section 86.1220, and in
17 addition to any other compensation or benefit to which such
18 member may be entitled under sections 86.900 to 86.1280, a
19 supplemental compensation in the amount of fifty dollars per
20 month. This appointment as a consultant shall in no way affect
21 any member's eligibility for retirement benefits under the
22 provisions of sections 86.900 to 86.1280, or in any way have the
23 effect of reducing retirement benefits otherwise payable to such
24 member. The amount of such supplemental compensation under

25 this subsection may be adjusted by cost-of-living adjustments
26 determined by the retirement board not more frequently than
27 annually.

28 3. For purposes of subsections 1 and 2 of this section, the
29 term "member" shall include a surviving spouse entitled to a
30 benefit under sections 86.900 to 86.1280 who shall be deemed to
31 have retired for purposes of this section on the date of retirement
32 of the member of whom such person is the surviving spouse or on
33 the date of death of such member if such member died prior to
34 retirement; provided, that if the surviving spouse of any member
35 who retired prior to August 28, 2000, shall not have remarried
36 prior to August 28, 2000, but remarries thereafter, such surviving
37 spouse shall thereafter receive benefits under subsection 2 of this
38 section, and provided further, that no benefits shall be payable
39 under this section to the surviving spouse of any member who
40 retired prior to August 28, 2000, if such surviving spouse was at
41 any time remarried after the member's death and prior to August
42 28, 2000. All benefits payable to a surviving spouse under this
43 section shall be in addition to all other benefits to which such
44 surviving spouse may be entitled under other provisions of sections
45 86.900 to 86.1280. Any such surviving spouse of a member who
46 dies while entitled to payments under this section shall succeed to
47 the full amount of payment under this section to which such
48 member was entitled at the time of such member's death, including
49 any cost-of-living adjustments received by such member in the
50 payment under this section prior to such member's death. In all
51 events, the term "member" shall not include any children of the
52 member who would be entitled to receive part or all of the pension
53 which would be received by a surviving spouse if living.

54 4. Any member who is receiving benefits from the
55 retirement system and who either was retired under the provisions
56 of subsection 1 of section 86.1150, or who retired before August 28,
57 2001, under the provisions of section 86.1180 or section 86.1200,
58 shall, upon application to the retirement board, be retained as a
59 consultant. For such services such member shall receive each
60 month in addition to such member's base pension and cost-of-living

adjustments thereto under section 86.1220, and in addition to any other compensation or benefit to which such member may be entitled under sections 86.900 to 86.1280, an equalizing supplemental compensation of ten dollars per month. This appointment as a consultant shall in no way affect any member's eligibility for retirement benefits under the provisions of sections 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits otherwise payable to such member. The amount of equalizing supplemental compensation under this subsection may be adjusted by cost-of-living adjustments, determined by the retirement board not more frequently than annually, but in no event shall the aggregate of such equalizing supplemental compensation together with all such cost-of-living adjustments thereto exceed twenty-five percent of the member's base pension. Each cost-of-living adjustment to compensation under this subsection shall be determined independently of any cost-of-living adjustment to any other benefit under sections 86.900 to 86.1280. For the purposes of this subsection, the term "member" shall include a surviving spouse entitled to benefits under the provisions of sections 86.900 to 86.1280, and who is the surviving spouse of a member who qualified, or would have qualified if living, for compensation under this subsection. Such surviving spouse shall, upon application to the retirement board, be retained as a consultant, and for such services shall be compensated in an amount equal to the compensation which would have been received by the member under this subsection, if living. Any such surviving spouse of a member who dies while entitled to payments under this subsection shall succeed to the full amount of payment under this subsection to which such member was entitled at the time of such member's death, including any cost-of-living adjustments received by such member in the payment under this subsection prior to such member's death. In all events, the term "member" shall not include any children of the member who would be entitled to receive part or all of the pension that would be received by a surviving spouse, if living.

5. A surviving spouse who is entitled to benefits under the

provisions of subsection 1 of section 86.1240 as a result of the death prior to August 28, 2007, of a member in service, and who is receiving benefits from the retirement system, shall, upon application to the retirement board, be retained as a special consultant, and for such services such surviving spouse shall receive each month an equalizing supplemental compensation of ten dollars per month. A surviving spouse entitled to benefits under the provisions of subsection 1 of section 86.1240 as a result of the death of a member in service on or after August 28, 2008, shall receive each month an equalizing supplemental benefit of ten dollars per month. All benefits payable to a surviving spouse under this subsection shall be in addition to all other benefits to which such surviving spouse may be entitled under other provisions of sections 86.900 to 86.1280 and shall in no way have the effect of reducing benefits otherwise payable to such surviving spouse. The amount of equalizing supplemental benefit or equalizing supplemental compensation under this subsection may be adjusted by cost-of-living adjustments, determined by the retirement board not more frequently than annually, but in no event shall the aggregate of such equalizing supplemental benefit or compensation together with all such cost-of-living adjustments thereto exceed twenty-five percent of the base pension of the surviving spouse. Each cost-of-living adjustment to an equalizing supplemental benefit or compensation under this subsection shall be determined independently of any cost-of-living adjustment to any other benefit under sections 86.900 to 86.1280. In all events the term "surviving spouse" as used in this subsection shall not include any children of the member who would be entitled to receive part or all of the pension that would be received by a surviving spouse, if living.

6. In determining and granting the cost-of-living adjustments under this section, the retirement board shall adopt such rules and regulations as may be necessary to effectuate the purposes of this section, including provisions for the manner of computation of such adjustments and the effective dates thereof. The retirement board shall provide for such adjustments to be

133 determined once each year and granted on a date or dates to be
134 chosen by the board. The retirement board shall not be required
135 to prorate the initial adjustment to any benefit or compensation
136 under this section for any member.

137 7. The determination of whether the retirement system will
138 remain actuarially sound shall be made at the time any
139 cost-of-living adjustment under this section is granted. If at any
140 time the retirement system ceases to be actuarially sound, any
141 benefit compensation payments provided under this section shall
142 continue as adjusted by increases or decreases theretofore granted.
143 A member of the retirement board shall have no personal liability
144 for granting increases under this section if that retirement board
145 member in good faith relied and acted upon advice of a qualified
146 actuary that the retirement system would remain actuarially
147 sound.]

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Bill

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